



## STATE BOARD OF LAND COMMISSIONERS

Dirk Kempthorne, Governor and President of the Board

Pete T. Cenarrusa, Secretary of State

Alan G. Lance, Attorney General

J. D. Williams, State Controller

Marilyn Howard, Superintendent of Public Instruction

Stanley F. Hamilton, Secretary to the Board

### FINAL MINUTES Regular Land Board Meeting November 14, 2000

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, November 14, 2000 in Boise, Idaho. The Honorable Dirk Kempthorne presided. The following members were present:

Honorable Secretary of State Pete T. Cenarrusa  
Honorable Superintendent of Public Instruction Marilyn Howard

Secretary to the Board Stanley F. Hamilton

Attorney General Alan Lance was absent for this meeting. State Controller J. D. Williams participated in the meeting via conference phone.

Governor Kempthorne opened the meeting. Prior to considering the Consent Agenda, Director Hamilton introduced Mr. Joe Eichert. Mr. Eichert is a recently retired Department of Lands employee and formerly was the Area Supervisor for the Clearwater Area office. The Clearwater Area office is the largest Department of Lands area office. Mr. Eichert served the State of Idaho and the Department of Lands for 32 years. Governor Kempthorne and the Land Board thanked Mr. Eichert for his many years of state service.

#### • **CONSENT AGENDA**

**Director Hamilton provided background information on the Consent Agenda items.**

**A motion was made by Secretary of State Cenarrusa to approve the Consent Agenda in its entirety. Superintendent Howard seconded the motion. The motion carried on a vote of 4-0 with Attorney General Lance being absent for this vote.**

#### **1. Official Transactions – approved**

- A. Interest Rate Report – October 10, 2000
- B. Bureau of Minerals Official Transactions – September – October 2000
- C. Timber Sale Official Transactions for the Period September 21, 2000 through October 20, 2000
- D. Bureau of Real Estate, Land Sale Section, Official Transactions – September 2000
- E. Bureau of Real Estate, Easement Section, Official Transactions – September 2000
- F. Bureau of Range Management and Surface Leasing Official Transactions for Cropland, Grazing, Cottage Site, Miscellaneous and Submerged Land Leases – October 2000

#### **2. Timber Sales – Staffed by Ron Litz, Chief, Bureau of Forest Management – approved**

- |                 |           |           |
|-----------------|-----------|-----------|
| A. Fish Creek   | CR-2-0207 | 2,585 MBF |
| B. Double Eagle | CR-4-0704 | 2,840 MBF |
| C. Eagle Breaks | CR-4-0735 | 1,965 MBF |
| D. Bluecal      | CR-4-0736 | 2,745 MBF |
| E. Ruby Top     | CR-4-0731 | 1,500 MBF |

**3. Application for Qualified Bidders List, Timber Sales** – Staffed by Ron Litz, Chief, Bureau of Forest Management – **approved**

A. Stimson Lumber Company, 520 S. W. Yamhill, Suite 308, Portland, Oregon 97204-1326

**4. Results of Grazing Lease Auction G-6496** – Staffed by Tracy Behrens, Range Management Specialist – **approved**

*DEPARTMENT RECOMMENDATION:* The department recommends that the board accept the high bid of \$4,100 submitted by ML Investment and that ML Investment be issued a new ten-year grazing lease. The lease will include a management agreement based on the management proposal submitted by ML Investment and agreed to by the department.

*BOARD ACTION:* Approved.

**5. Minutes** – **approved**

A. Regular Land Board Meeting – October 10, 2000

• **REGULAR AGENDA**

**6. Director's Report** – Presented by Stanley F. Hamilton, Director, Department of Lands

Summary of fiscal year-to-date 2001 Earnings Reserve Revenue

Available Earnings Reserve Totals:

✓ Public Schools .....	\$22,751,114
✓ Pooled .....	\$20,953,850
✓ <b>Total</b> .....	<b>\$43,704,964</b>
✓ Transfer Out to IDL Operations .....	\$ 6,500,000
✓ <b>Net Revenue from IDL to Earnings Reserve Fund</b> .....	<b>\$37,204,964</b>

The Director's Report is provided monthly for the board's information. No action was taken on this agenda item.

**7. Endowment Fund Investment Board Manager's Report** – Presented by Charles G. Saums, Manager of Investments

September 2000

✓ Total Market Value of Endowment Funds .....	850,507,886.00
✓ Total Market Value of Permanent Corpus .....	803,987,605.00
✓ Total Market Value of Earnings Reserve.....	46,520,281.00

The EFIB Manager's Report is provided monthly for the board's information. No action was taken on this agenda item.

**8. Audience with the Board – Lane Weimer**

- ☐ To discuss road access to private property referred to as the John Lewis Homestead in Clearwater County

**Mr. Weimer:** Mr. Weimer is seeking permanent, unrestricted access across state endowment land to his property. Mr. Weimer stated that his homestead predates all of the state land around it. He said that the state acquired the land afterward and there was a public right-of-way through the area. Mr. Weimer said that the right-of-way is in the state's contract but the state has not honored it. Mr.

Weimer does not feel he should be required to obtain a permit to cross state endowment land. Mr. Weimer also objects to the seasonal road closure.

*DEPARTMENT RECOMMENDATION:* Department staff recommends that access to Mr. Weimer's personal property continue to be authorized by temporary permit to provide access to his property. In the event he obtains easements from the Clearwater National Forest and Potlatch Corporation the department will consider a request for an easement across endowment land.

Upon receipt of an adequate road location description and adequate right-of-way consideration, as discussed in the rules for easements across endowment land, an easement could be granted to Mr. Weimer.

The department would recommend that Mr. Weimer's appeal be denied based upon the lack of evidence supporting Mr. Weimer's position.

*BOARD ACTION:* Upon unanimous consent of the participating members of the board, this matter will be deferred pending further study. Attorney General Lance was absent for this discussion.

**9. Request for Approval to Sell at Public Auction Parcels of State-Owned Land Within the Idaho Northern Railway Company Right-of-Way in Canyon County, Which Has Been Abandoned – Presented by Perry A. Whittaker, Chief, Bureau of Real Estate**

*DEPARTMENT RECOMMENDATION:* Department staff recommends Land Board approval to offer these state parcels for sale. Approval by the board will enable department staff to appraise the property as marketable units. Once any necessary property surveys and appraisals have been completed staff will seek final approval from the board to advertise and sell the parcels at public auction.

*DISCUSSION:* Secretary of State Cenarrusa asked if the proceeds of this sale would go to the Land Bank. Mr. Whittaker responded that it could be set up in that way.

Controller Williams asked if this transaction would have to be set up for the Land Bank or is every sale made from now on automatically set up for the Land Bank. Director Hamilton said the department would check into that topic. He stated that if it is not automatic, then it can be set up to have the proceeds placed in the Land Bank.

Superintendent Howard asked if some of the landowners might be surprised to find out they do not have total ownership of the old rights-of-way. Mr. Whittaker stated that could be the case.

*BOARD ACTION:* A motion was made by Secretary of State Cenarrusa to approve the department's recommendation. Additionally the board requested that clarification be provided at the December Land Board meeting as to whether or not proceeds from these parcels would go into the Land Bank. Superintendent Howard seconded the motion. The motion carried on a vote of 4-0 with Attorney General Lance being absent for this vote.

**10. Request for Final Approval to Complete the State of Idaho/Molsee-Belieu Land Exchange – Presented by Perry A. Whittaker, Chief, Bureau of Real Estate**

*DEPARTMENT RECOMMENDATION:* Department staff recommend Land Board final approval to complete this exchange.

*DISCUSSION:* None.

*BOARD ACTION:* A motion was made by Secretary of State Cenarrusa to accept the department's recommendation. Superintendent Howard seconded the motion. The motion carried on a vote of 4-0 with Attorney General Lance being absent for this vote.

- **INFORMATION AGENDA**

**Director Hamilton briefed the Land Board on the Information Agenda items. No Land Board action is required on the Information Agenda.**

## **11. Timber Sale Activity Reports**

### Volume Under Contract as of September 30, 2000

Active Contracts	171
Estimated Residual Net Volume	297,551 MBF
Estimated Residual Net Value	\$95,039,339

### General Outlook – September 2000

Harvest operations have increased on some sales while other sales have started seasonal shutdowns and are closing out operations for the year.

### Volume Under Contract as of October 31, 2000

Active Contracts	164
Estimated Residual Net Volume	282,089 MBF
Estimated Residual Net Value	\$90,667,729

### General Outlook – October 2000

For the third month in a row, harvest levels are significantly below last year's and the average harvest level for these months. This reduction is due to both the declining market condition and the onset of wet weather conditions.

- ❑ A motion was made by Secretary of State Cenarrusa to resolve into Executive Session at 10:20 a.m. State Controller Williams seconded the motion. The motion carried on a vote of 4-0 with Attorney General Lance being absent for this vote.

- **EXECUTIVE SESSION**

- **To Consider Acquiring an Interest in Real Property which is Not Owned by a Public Agency, Idaho Code § 67-2345 (1)(c)**
- **To Consider Records that are Exempt from Disclosure as Provided in Idaho Code Chapter 3, Title 9, Idaho Code § 67-2345 (1)(d)**
- **To Consider and Advise Its Legal Representatives in Pending Litigation or Where There is a General Public Awareness of Probable Litigation, Idaho Code § 67-2345 (1)(f)**
- **To Consider Personnel Matters, Idaho Code § 67-2345 (1)(a)**

Upon unanimous consent of participating board members, the board resolved back into Regular Session. There being no further business before the board, the meeting adjourned.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/

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President, State Board of Land Commissioners and  
Governor of the State of Idaho

/s/

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Pete T. Cenarrusa  
Secretary of State

/s/

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Stanley F. Hamilton  
Director

**The above-listed final minutes were approved by the State Board of Land Commissioners at the December 12, 2000 regular Land Board meeting.**